

Huntington Beach Senior Center in Central Park

City Council Study Session
July 21, 2014



Background

- Council approved contract with design consultants to complete plans and specifications – July 1, 2013
- Identified as Strategic Objective at August 2 Strategic Planning Retreat to provide updated cost estimates and financing options at December 16, 2013 Study Session

Current Status

- Entitlement Approval Complete
- Completion of Construction Documents in process
- Constructability Review Complete
- Construction Cost Estimate Updated

Cost Estimates to Date

Soft Costs	
■ Additional A&E; Testing/Inspection	\$850,000
■ Construction Management	\$650,000
<u>Sub-Total:</u>	\$1,500,000
Direct Costs	
■ Building & On-Site Construction	\$16,000,000
■ Off-Site Construction	\$800,000
■ FF&E	\$500,000
<u>Sub-Total:</u>	\$17,300,000
■ Contingencies	\$2,700,000
Project Total	\$21,500,000

Project Schedule

July

- Public Works Commission Review

Aug

- Public Hearing and Council Authorization for Bonds
- Council Award Construction Management Contract

Sep

- Council Authorization to Advertise for Construction Bids

Oct

- Open Construction Bids/Bid Review

Nov

- November 11th Bond Closing and Financing Available
- November 17th Council Award Construction Contract (18 Month Contract)

Senior Center Financing Plan

Available Funding Sources

Item	Cash	Appropriated
FY 2013/14 Capital Improvement Plan	\$1,500,000	Yes/Carryover
FY 2012/13 GF Year End Transfer	\$1,000,000	FY 2014/15
FY 2012/13 General Fund Balance Set-Aside	<u>\$2,000,000</u>	FY 2014/15
Total Cash In-Hand	\$4,500,000	
Capital Campaign/Donations (Est.)*	<u>\$2,000,000</u>	No
Total In-Hand & Potential Donations	\$6,500,000	

*The amount of potential donations and Capital Campaign receipts is estimated only. No final amounts received.

Local Funding Opportunities

- **Private Donations/Capital Campaign**
 - **HOAG Hospital – Supported the OASIS Senior Center in Newport Beach**
 - **Local Area Hospitals – HBCOA members have expressed their interest in supporting the project**
 - **Grass Roots Fundraising – Led by the HBCOA and other community partners**
 - **Increased potential for fee generation when a new center is operating**

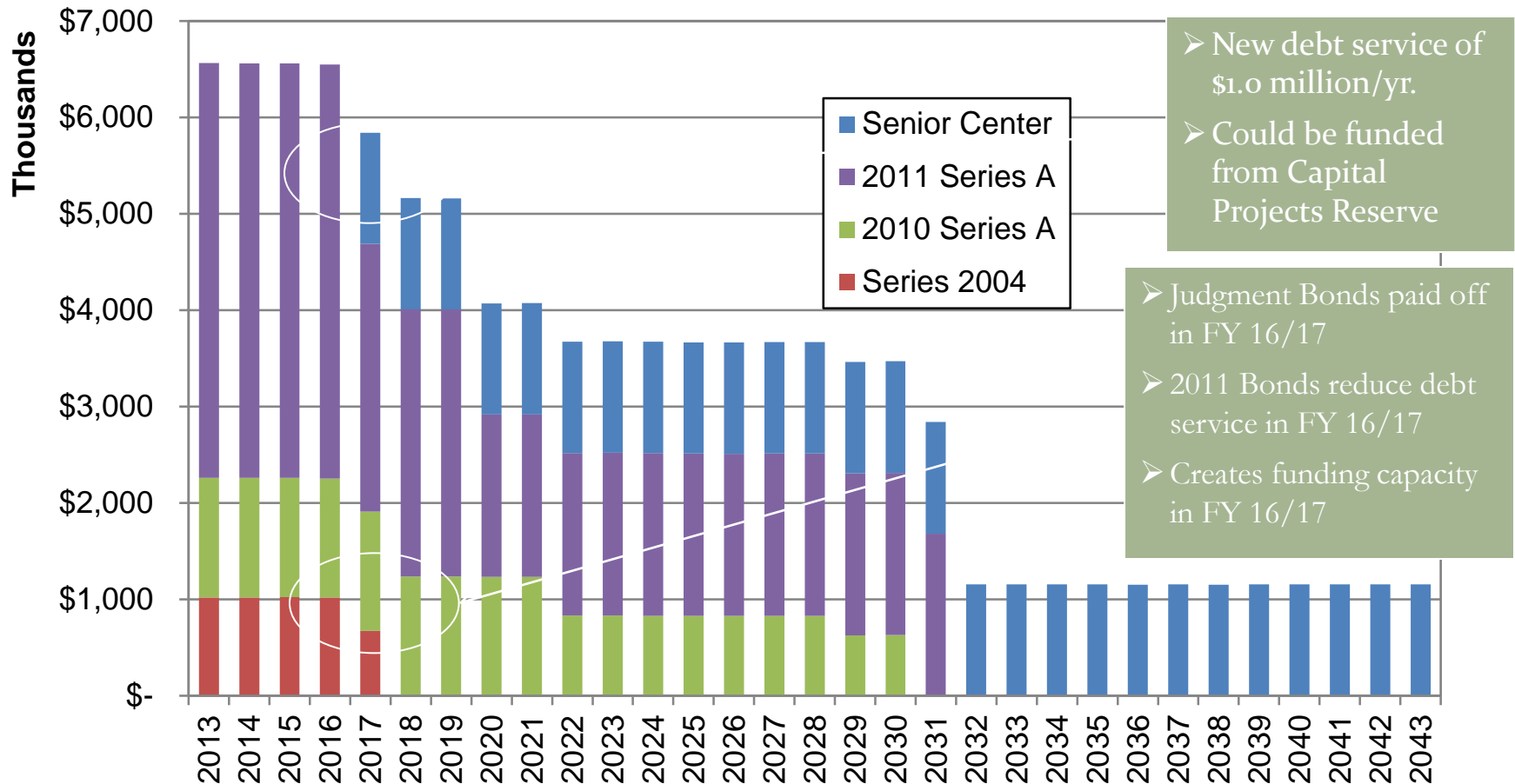
Senior Center Financing Plan

■ Bond Issue

- The City can issue a bond backed by the General Fund
- Estimated annual interest rate of 3.5% to 4.5%
- Annual debt service payment of \$1M to \$1.3M
- Total final principal and interest costs of \$25 million for a 20-year bond, higher for 30-years
- The FY 2014/15 Proposed Budget includes \$1.0 million for projected annual debt service costs
- Including a required debt service reserve and costs of issuance, the bond proceeds will total \$16.6 million

Existing 30-Year Debt Service Schedule

City of Huntington Beach General Fund Supported Annual Debt Service



Building Features



- **37,563 SF Building**
- **Large Multi-Purpose Room**
- **Exercise Room**
- **Classrooms**
- **Staff Offices**
- **Transportation Office**
- **Meals Program**
- **Computer Training Room**
- **Game Room**

Green Elements

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- Interior materials and finishes
 - Energy systems performance
 - Energy conservation in lighting and appliances
 - Indoor air quality
 - Drought tolerant landscaping and water efficient irrigation system
 - Recycled construction materials
 - Exterior paint and roofing material
 - Compliance w/ CalGreen building code

Next Steps

- **Finalize Construction Documents**
- **Secure Permits**
- **Resolve Legal Issues**
- **Secure Funding**
- **Council Approval to Advertize for Bids**

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